

I. CALL TO ORDER.

A regular meeting of the City Council of the City of Litchfield was held in the City Council Chambers at the City Hall Monday, July 17, 2023, commencing at 5:30 p.m. Mayor Dingmann called the meeting to order.

A. ROLL CALL:

Mayor	Ron Dingmann	Present
Council Member-at-Large	Malinda Larson	Present
Council Member Ward I	Eric Mathwig	Present
Council Member Ward II	Darlene Kotelnicki	Present
Council Member Ward III	Betty Allen	Present
Council Member Ward IV	John Carlson	Present
Council Member Ward V	Sara Miller	Present
City Administrator	Dave Cziok	Present
Assistant City Administrator	Joyce Spreiter	Present
Operations Coordinator	Mario Provencher	Present
Operations Engineer	Mike Geers	Present
City Attorney	Mark Wood	Present
City Engineer	Chuck DeWolf	Present
Independent Review	Brent Schacherer	Present
KLFD	Tim Bergstrom	Present

B. PLEDGE OF ALLEGIANCE

II. CONSENT AGENDA -

Each item on the Consent Agenda was considered. No items were added or deleted.

A. COUNCIL MINUTES TO APPROVE:

- 1. City Council Meeting – July 3, 2023

B. FINANCIAL REPORTS TO APPROVE:

- 1. Electronic and Wire Transfer Report

C. CLAIMS TO AUTHORIZE FOR PAYMENT:

- 1. Computer List of Bills for \$83,263.64

D. OTHER PAYMENTS:

- 1. 2022 Water Treatment Facility Imp Project –

**CITY OF LITCHFIELD
 RESOLUTION NO. 23-7-120
 AUTHORIZE PAYMENT NO. 8
 FOR THE LITCHFIELD WATER TREATMENT FACILITY
 IMPROVEMENT PROJECT**

WHEREAS, a contract has been awarded for the above titled item, and

WHEREAS, recommendation has been made and is on file to approve this payment,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Litchfield hereby approves Payment No. 8 for the 2022 Litchfield Water Treatment Facility Improvement Project totaling \$16,150.00 as attached and on file.

Adopted by the City Council this 17th day of July, 2023.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

E. ORDINANCES – SECOND READINGS: None.

F. LICENSES:

1. Lawful Gambling Permit –

**CITY OF LITCHFIELD
RESOLUTION NO. 23-7-123
LAWFUL GAMBLING PERMIT FOR AN EXEMPT
ORGANIZATION THE MEEKER COUNTY DUCKS UNLIMITED
OF LITCHFIELD, MINNESOTA**

WHEREAS, an application for a lawful gambling license exemption was considered from the Meeker County Ducks Unlimited of Litchfield, Minnesota,

NOW, THEREFORE, BE IT RESOLVED to approve the application for an Exemption from a Lawful Gambling license for the Meeker County Ducks Unlimited of Litchfield, Minnesota on September 21, 2023 at the Eagles Club, 389 CSAH 34, Litchfield, MN, and to direct submittal of a copy of this resolution with their application to the State Gambling Control Division.

Adopted by the City Council this 17th day of July, 2023.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

2. Sales on Public Property –
a. Forest City Threshers

G. OTHER ROUTINE MATTERS: None

H. COMMUNICATIONS TO REVIEW :

1. Minutes & Reports:
a. Airport Advisory Board – July 10, 2023
b. Housing Committee – July 13, 2023

After review, it was moved by Council Member Mathwig, seconded by Council Member Larson, to adopt the following:

**CITY OF LITCHFIELD
RESOLUTION NO. 23-7-124
APPROVING CONSENT AGENDA**

WHEREAS, the Consent Agenda has been assembled and presented; and

WHEREAS, all requests to have items removed have been duly noted,

NOW, THEREFORE, BE IT RESOLVED to approve the Consent Agenda as presented except for items, if any, which were requested to be removed for individual consideration.

Adopted by the City Council this 17th day of July, 2023.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

Upon roll call vote, all members present voted aye, whereupon the resolution was declared adopted.

III. TIMED ITEMS –

A. 5:30 P.M. PUBLIC HEARING – CONSIDER ADOPTING A SURFACE WATER UTILITY ORDINANCE –

City Administrator Cziok explained the City has identified needs relating to storm sewers through the CIP planning process. He shared that residential properties will see a \$4/month fee and there will be an equitable calculation for commercial. With several projects to fund including Commercial Street/Holcombe Avenue storm sewer improvements, along with future improvements projected for Ramsey Avenue and North Swift Avenue, the City needs authority to issue debt for storm sewer projects. In response to Council Member Miller’s inquiry, City Administrator Cziok shared several cities, roughly the size of Litchfield, who have a surface water utility ordinance in place. Mayor Dingmann asked how the City would fund the improvements without adopting said ordinance. City Administrator Cziok responded that improvements would be funded through taxes without any authority to issue debt.

This being the time, date and place set, with all notices published and posted as required by law, Mayor Dingmann opened the public hearing at 5:35 p.m. to consider adopting a surface water utility ordinance.

An attendance list is on file. There were no written comments.

Oral Comments were as follows:

Connie Lies – 640 East 2nd Street – Ms. Lies requested clarification of some points included in the proposed ordinance. She inquired about residential fees and expressed concern about conflicting data in the proposed ordinance referencing the “Residential Equivalent Factor” paragraph and the associated fee calculations.

City Administrator Cziok explained that all residential property will be charged a monthly fee of \$4.00. City Engineer DeWolf explained that calculations are based on runoff and impervious service.

Connie Lies described her property and shared that there isn’t a runoff issue and takes exception to how that is looked at.

With no other comments received, Mayor Dingmann closed the public hearing at 5:40 p.m. With inquiries relating to a landowner showing proof on stormwater runoff generated on their property, City Administrator Cziok shared that it would be the landowner’s responsibility to do the calculations and the City to review their calculations. He shared that the (ordinance) language will be reviewed based on comments heard before the second reading is held.

After review, it was moved by Council Member Mathwig, seconded by Council Member Allen, to adopt the following:

**CITY OF LITCHFIELD
RESOLUTION NO. 23-7-121
FIRST READING FOR ORDINANCE NO. 818
AMENDING PART OF CITY CODE - TITLE V: PUBLIC WORKS,
CHAPTER 54: SURFACE WATER SYSTEM**

WHEREAS, the City needs authority to issue debt for storm sewer projects; and

WHEREAS, a surface water utility ordinance would provide that authority; and

WHEREAS, the City Council held a public hearing on July 17, 2023 at City Hall, to consider adopting Ordinance No. 818, a Surface Water System Ordinance, after due published and posted notice had been given and all interested and affected persons were given the opportunity to voice their concerns and be heard,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Litchfield that this be the First Reading of Ordinance No. 818, Amending Part of City Code - Title V: Public Works, Chapter 54: Surface Water System.

Adopted by the City Council this 17th day of July, 2023.

Approved:

Attest:

MAYOR

ASSISTANT CITY ADMINISTRATOR

Upon roll call vote, all members present voted aye, whereupon the resolution was declared adopted.

IV. ACKNOWLEDGEMENT OF AUDIENCE/PRESENTATIONS – None.

V. COMMISSION RECOMMENDATIONS – None.

VI. COMMITTEE REPORTS – None.

VII. LEGAL CONSIDERATIONS – None.

VIII. BUSINESS –

A. UTILITY RATE ADJUSTMENTS –

1. Electric Rates – First Reading of Ordinance No. 819 –

City Administrator Cziok discussed the electric rate analysis provided by Tim Miller, Director of Rates at Missouri River Energy Services, which outlines the reasons for proposed rate increases. He reported that there are no operational changes and no capital projects included in the proposed rate increases, adding that it is passing the City’s costs on to rate payers. The Council discussed the importance of communicating with the public the reasons the rates are being increased.

After review, it was moved by Council Member Miller, seconded by Council Member Larson, to adopt the following:

**CITY OF LITCHFIELD
RESOLUTION NO. 23-7-122
FIRST READING FOR ORDINANCE NO. 819
ESTABLISHING NEW ELECTRIC RATES AS PROVIDED FOR IN
CITY CODE - TITLE V: PUBLIC WORKS, CHAPTER 52: ELECTRIC,
SECTION 52.01 ELECTRIC RATES**

WHEREAS, the City’s power supply costs have increased; and

WHEREAS, electric rates have remained unchanged since 2010; and

WHEREAS, a rate analysis has been completed and rate increase proposals were provided to the Council for consideration; and

WHEREAS, the primary reason for the rate increases is rising wholesale power costs from the two sources of purchased power - Western Area Power Administration (WAPA) and Southern Minnesota Municipal Power Agency (SMMPA); and

WHEREAS, SMMPA implemented a monthly power cost adjustment that may result in additional costs to the City of Litchfield; and

WHEREAS, SMMPA is phasing in new WAPA delivery charges over a five-year period from 2021 to 2025 that has resulted in additional costs to the City,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Litchfield that this be the First Reading of Ordinance No. 819, Establishing New Electric Rates as provided for in City Code – Title V: Public Works, Chapter 52: Electric, Section 52.01 Electric Rates, as proposed, as on file, and reviewed by the Council.

Adopted by the City Council this 17th day of July, 2023.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

Upon roll call vote, all members present voted aye, whereupon the resolution was declared adopted.

2. Utility Rate Update –

City Administrator Cziok reported that a work session goal was to provide several rate adjustments to Council for consideration at the same time. He explained that the surface water system rates will go into effect once properties are reviewed and calculations are completed. He shared that wastewater rate increases will be at a future date since the City is not far enough along with project planning to make a determination, although sooner would be better in order to provide funding. No formal action was taken.

B. DOWNTOWN ALLEYWAY -

City Administrator Cziok discussed water drainage issues in the alleyway north of the American Legion. He shared that the American Legion is assuming the responsibility for the infrastructure through grants with the City funding restoration efforts for the alleyway. He explained that funding the restoration of the alleyway disturbed is approximately \$10k while entire alleyway replacement is projected at \$20k. Council Members discussed the project with some concern expressed on spending in relation to the CIP. Concern was also expressed for doing it right. Mayor Dingmann suggested sending the topic to the Finance Committee for further review and recommendations.

It was moved by Council Member Mathwig, seconded by Council Member Miller, to recommend the Finance Committee review options for restoration and consider any impact to the CIP. The motion passed with 7 votes in favor and 0 against.

C. CEMETERY -

Council Member Allen discussed issues that have been identified over the past several years. She recommended engaging with Michael Sharkey, a cemetery lawyer consultant, to assist with a stone maintenance policy and developing perpetual care funding. Council Members Kotelnicki and Carlson shared research completed by all three Council Members.

The Council discussed stone maintenance concerns and the need to address said issues in a timely manner. Council Member Carlson suggested administration provide the rate increase recommendations. City Administrator Cziok expressed concern in providing rate increases without knowing what the costs identified were relating to stone maintenance.

Council Member Kotelnicki made a motion to contract with Michael Sharkey in the amount of up to \$6.5k to review the ordinance, rules and regulations, the original transfer of the cemetery to the City, legal issues, fees, perpetual care, and a stone maintenance policy. She added she would like a face to face meeting with Michael Sharkey. The Council reviewed the fees provided by Mr. Sharkey and discussed concerns that needed to be addressed in a timely fashion. After further discussion, Council Member Allen, seconded the motion by Council Member Kotelnicki, but shared that she would like to have information provided on perpetual care and a maintenance policy to begin with. The Council continued discussion on what they would like to see from the cemetery legal consultant.

Upon further review, Council Member Kotelnicki and Council Member Allen agreed to amendments to the original motion to adopt as follows:

**CITY OF LITCHFIELD
RESOLUTION NO. 23-7-125
CONTRACTING LEGAL SERVICES FOR CEMETERY ISSUES**

WHEREAS, the Council appointed Council Members to a committee to review and identify needs at the Litchfield Cemetery; and

WHEREAS, said committee identified several issues they would like addressed; and

WHEREAS, said committee recommends engaging with an attorney who provides legal services relating to cemeteries,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Litchfield hereby approves contracting with Michael Sharkey to provide legal services that include developing a stone maintenance policy and advising on establishing a perpetual fund; and

BE IT FURTHER RESOLVED that a face to face meeting be held with Michael Sharkey either in person or on zoom.

Adopted by the City Council this 17th day of July, 2023.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

Upon roll call vote, all members present voted aye, whereupon the resolution was declared adopted.

D. MARIJUANA –

Council Member Kotelnicki recommended the Council adopt an ordinance placing a moratorium on marijuana sales to January 1, 2025 until the State can define issues and then, subsequently the City can define local issues. She discussed research on what other cities are doing and information from the League of MN Cities. Council Member Dingmann inquired as to what the advantage would be for the moratorium at this time. Council Member Kotelnicki responded that business are opening up and will be looking to be grandfathered in.

Mayor Dingmann shared that Meeker County is trying to meet with cities within their jurisdiction to discuss. City Attorney Wood clarified that it is state law and sales cannot take place without a license prior to January 1, 2025. Council Member Mathwig inquired about the 12,500 jurisdiction population restrictions and discussed reasonable restrictions within the City's ordinance. City Attorney Wood discussed community standards and state licensing for marijuana sales. He clarified that the City's ordinance would supersede Meeker County's ordinance.

Mayor Dingmann shared that he would get information on the meeting with Meeker County and other cities to Council Members in order for them to attend if they so choose. No formal action was taken.

E. GRANTS –

Council Member Kotelnicki discussed grant opportunities available relating to pedestrian safety in response to concern expressed by constituents. City Administrator Cziok expressed caution and advised being on the same page and moving in the same direction. He discussed focusing on the CIP and not evaluating other projects against the CIP, expressing concern about leapfrogging the CIP. There was no formal action.

F. REVIEW DEVELOPER PROPOSAL –

Council Member Dingmann provided the language that allows the Council meeting to be closed to discuss a proposal from a developer.

After review, it was moved by Council Member Miller, seconded by Council Member Allen, to adopt the following:

**CITY OF LITCHFIELD
RESOLUTION NO. 23-7-126
CLOSING MEETING FOR DEVELOPER PROPOSAL DISCUSSION**

WHEREAS, the City received a proposal from Litchfield Building Center (LBC) for purchasing land for development purposes; and

WHEREAS, the Council wishes to exercise its right to close the meeting to discuss said proposal,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Litchfield hereby closes the Council meeting to discuss a developer proposal pursuant to Minnesota Statutes §13.D.05(3)(c)(3) a public body may close a meeting to develop or consider offers or counter offers for the purchase or sale of real or personal property. Before holding a closed meeting under this paragraph, the council must identify on the record the particular real property that is the subject of the closed meeting. The proceedings of a meeting closed under this paragraph must be tape recorded at the expense of the City. The recording must be preserved for eight (8) years after the date of the meeting and made available to the public after all real property discussed at the meeting has been purchased or sold or the governing body has abandoned the purchase or sale. The real property that is the subject of the closed meeting must be specifically identified on the tape. A list of members and all other persons present at the meeting must be made available to the public after the closed meeting.

An agreement reached that is based on an offer considered at a closed meeting is contingent upon approval of the public body at an open meeting. The actual purchase or sale must be approved at an open meeting after the notice period required by statute and the purchase price or sale price is public data.

The Council will consider Litchfield Building Company’s proposed purchase agreement, as presented at the July 3, 2023, City Council meeting, regarding the properties described as parcel identification numbers:

Parcels along West Ripley

- 14-0160001
- 14-0160000
- 27-0102000
- 27-1810000

Lake Lots

- 27-2380000
- 27-2378000
- 27-2377000

Adopted by the City Council this 17th day of July, 2023.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR

Upon roll call vote, all members present voted aye, whereupon the resolution was declared adopted.

Mayor Dingmann closed the Council meeting at 6:52 p.m.

In attendance at the closed meeting:

- | | |
|----------------------------------|--------------------|
| Mayor | Ron Dingmann |
| Council Member-at-Large | Malinda Larson |
| Council Member Ward I | Eric Mathwig |
| Council Member Ward II | Darlene Kotelnicki |
| Council Member Ward III | Betty Allen |
| Council Member Ward IV | John Carlson |
| Council Member Ward V | Sara Miller |
| City Administrator | Dave Cziok |
| Assistant City Administrator | Joyce Spreiter |
| Operations Coordinator | Mario Provencher |
| Operations Engineer | Mike Geers |
| City Attorney | Mark Wood |
| City Engineer | Chuck DeWolf |
| Meeker County EDA Representative | Lisa Graphenteen |

Mayor Dingmann reopened the Council meeting at 7:55 p.m. No formal action was taken.

IX. ADDITIONAL ITEMS – None.

X. ANNOUNCEMENTS – None.

XI. ADJOURNMENT –

July 17, 2023

It was moved by Council Member Allen, seconded by Council Member Miller, to adjourn the City Council meeting at 7:55 p.m. Motion Carried.

Attest:

Approved:

ASSISTANT CITY ADMINISTRATOR

MAYOR